almadina investment holding (S.A.O.G)
المدينة للإستثمار القابضة (ش.م.ع.ع)

Report of the Corporate Governance

For the financial year ending on March 31, 2024

The company's philosophy regarding corporate governance

The philosophy of Al-Madina Investment Holding Company SAOG "the Company" relies on the corporate governance principles within the Code of Corporate Governance issued to public shareholding companies in MSM. The Board of Directors is committed to applying the best standards of Corporate Governance and works to improve it on an ongoing basis to provide a model for commitment to the Corporate Governance of public shareholding companies that is set by the Capital Market Authority. Furthermore, it confirms its dedication to the responsibilities required for the management of the company and provides transparency about the company's strategy.

Board of Directors

The board of directors is responsible for directing and supervising the company, setting and approving the company's aims as well as the strategies and policies that must be adhered to in order to achieve the required goals. The board also reviews the company's performance in relation to the set goals.

Nomination of board members

The Board of Directors as of March 31, 2024 consists of seven non-executive members and more than one third of the Board are independent.

The members of the Council were elected in its current session on June 2023 for a duration of three years. In the event that any seat of the Council becomes vacant, a new candidate is nominated to complete the term of the Council. The term of all current board members expires in 2026. Accordingly, the shareholders will elect a new board of directors. The formation of the board complies with the requirements of the charter and includes in its membership a group of highly qualified and experienced individuals in the fields of finance and investment.

All members of the company's board members are not board members of more than four public joint-stock companies whose activities are headquartered in the Sultanate of Oman. Furthermore, the chairman of the board of directors is not a chairman of the boards of more than two companies operating in the same field.

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Election of board members

Shareholders are invited through announcements in newspapers and the electronic platform for the general assemblies of the Muscat Clearing and Depository Company website to submit their

nominations for the membership of the Board of Directors. After conducting the necessary examination of the applications according to the requirements of the Capital Market Authority, the nominations are accepted and are subject to voting in the annual ordinary general assembly.

Information provided to Board members

Board members are provided with timely information so that they can maintain full and effective supervision over strategic, financial, operational, compliance, organizational and management matters.

Upon nomination, each board member receives information about the company and is informed of the legal, regulatory and other obligations of a board member of a public joint stock company.

Board meetings and a statement of attendance of meetings of the Board as well as the committees in addition to their participation in the management of other Omani public joint stock companies.

Name	Designation	Board Meetings (BOD)	Audit committee (AC)	Executive Committee Nominations and Remunerations	AGM
Sheikh. Said Salih Al-Jabri	Chairman of BOD	6	-	-	Yes
Dr. Amer Awad Al Rawwas	Vice Chairman of BOD& Chairman of AC	6	4	-	-
Mr. Mohamed Ali Al Naki	Vice Chairman Member of AC	6	4	-	Yes
Eng. Abdullah Ali Al Abdullah (independent)	BOD and N&RC member	6	-	2	Yes
Mr. Salim Saleem Al-Bosaidi (independent)	BOD member and Chairman of N&RC	6	-	2	Yes
Mr. Aref Abdelhamid Al Kyumi	Member of BOD & AC	6	4	-	
Mr. Sami Said Al Nabhani (independent)	Member of BOD and N&RC	6	-	2	Yes

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Board meetings

The Board of Directors held six meetings during the financial year that ended on March 31, 2024, on May 25th 2023, on June 25th 2023, on August 2nd 2023 and on November 9th,2023, February 11th, 2024 and March 26th , 2024. Board meetings are held according to a previously prepared agenda with all documents sent to the members well in advance of the meeting dates. The Board of Directors and its committees are fully informed of all information regarding the company's affairs.

Board of Directors fees

The Board of Directors and the General Assembly agreed on June 25, 2023, that attendance of the Board sessions and audit committees originating from it will be free of charge during that session until further notice.

Board Committees

As at the end of March 2024, there were two committees for the Board of Directors:

The Audit Committee and the Executive, Nominations and Remunerations Committee.

1) Audit Committee

The Audit Committee consists of three independent members and the committee is chaired by a member with expertise and knowledge in the financial fields. All members are fully aware and have a remarkable experience in the field of investment and the laws governing the listed public shareholding companies. The committee is considered a link between the board of directors, the internal auditor and the external auditor. The audit committee also performs its tasks and responsibilities as shown in Appendix No. (3) of the charter of corporate governance of public shareholding companies.

The Audit Committee held four meetings during the financial year ending on March 31st 2024, on May 25th 2023, on August 2nd 2023, on November 9th 2023, and on February 11th 2024.

The Audit Committee received the reports of the internal and external auditors and discussed the scope and results of the audit. It also reviews the accounting policies of the Group and assists the Board of Directors in ensuring the suitability, adequacy and effectiveness of internal supervision systems. The Audit Committee also studies the quarterly financial statements and approves them according to the powers granted by the Board of Directors in this regard. The balance sheet and profit and loss account for each quarter have been published in the local newspapers and on the Muscat Stock Exchange website according to the governing regulations. It also studies the annual financial statements and submits recommendations to the Board before its approval.

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Name of Committee member	Designation	Fees in RO
Dr. Amer Awad Al Rawwas	Committee Chairman	-
Mr. Mohamed Ali Al Naki	Committee member	-
Mr. Aref Abdelhamid Al Kyumi	Committee member	-
Total		-

The committee has the overall responsibility for nominating the external auditor, evaluating the results of the internal audit reports, guiding the implementation of audit recommendations and monitoring the work of the internal audit within the framework of the internal monitoring environment and the regulatory compliance framework of the company.

Committee powers and responsibilities

- Submitting a recommendation to the Board of Directors, which in turn presents it to the General Assembly, regarding the nomination and remuneration of the external auditor who performs the annual audit of the company.
- The Audit Committee is responsible for evaluating the internal audit process, continuing to supervise and monitor the work of the external auditor, and approving all audit and other non-audit services that are allowed and performed.
- The Committee shall have access to the members of the Board of Directors, external auditors and the legal advisor, in addition to having access to all relevant information, necessary to carry out its work, taking into account the relevant regulations / laws.
- The Audit Committee reports to the Board of Directors the results of the audit and the escalation of material issues.

2) Executive, nominations and remuneration Committee

The committee consists of three members and is chaired by an independent member nominated by the board. The committee is responsible for reviewing the company's general performance to enable it to take the necessary steps to carry out its work smoothly and to assist the board in taking appropriate decisions that are outside the powers of the executive management. The committee also assists the company's general assembly in terms of nominating members of the board of directors, submitting proposals to the Board regarding the appointment of the executive management and determining appropriate incentives and rewards that help the company obtain and maintain the best skills. The board of directors decided that the committee's meetings are to be held without fees at the time being due to the financial condition of the company.

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The committee holds a meeting at least twice during the year, and the meeting is called at the request of the management or by the executive, nominations and remunerations committee. The tasks entrusted to the committee are within the framework of the powers granted to it. The Committee distributes the minutes of its meetings to the Board members and they are discussed on the Board.

The Executive, Nominations and Remunerations Committee convened twice during the financial year ending March 31st 2024, on February 11th 2024 and on March 26th 2024.

Name of Audit Member	Designation	Fees
Mr. Salim Saleem Al-Bosaidi	Chairman of N&RC	-
Eng. Abdullah Ali Al Abdullah	Member of N&RC	-
Mr. Samy Saeed Al Nabhani	Member of N&RC	-
Total		-

Committee powers

- Proposing a policy or the succession plan for the board or at least the board chairman.
- Providing the succession plan for the executive management
- Preparing a detailed job description of the role and responsibility of a board member, including the chairman of the board, in order to facilitate the process of introducing members to their tasks and roles and measuring their performance.
- Search for qualified persons to join the Board as temporary members and nominate them when a seat on the Board of Directors becomes vacant.
- Searching for qualified persons to assume executive positions and nominating them in accordance with the request and directives of the Board in a manner that does not contradict the company's Articles of Association.
- Preparing a policy for granting bonuses and incentives to the executive management.
- Reviewing these policies periodically, taking into account the market conditions and the company's performance.
- Seeking help from any other party to obtain consultations in order to perform its tasks.
- Any other tasks that the Board of Directors deems to be added.

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Board discussions

The company's portfolio is currently balanced, as the process of portfolio allocation and distribution is a dynamic process and external factors are constantly evaluated based on the company's criteria and strategy.

During its meetings, the Board of Directors approved the reports of the committees originating from the Board.

All transactions with related parties are within the framework of the normal activity, on terms similar to those that can be dealt with other unrelated parties, and are carried out after the approval of the Board of Directors and the Audit Committee, bearing in mind that the related party does not participate in voting on the decision on that transaction.

Affirmations

The Board of Directors assures that the current presentation of the consolidated financial statements is in accordance with International Financial Reporting Standards and is in accordance with the requirements of the Capital Market Authority, as per its circulars issued in this regard, and there are no transferable financial instruments that affected or could affect the company's capital as on March 31, 2024. The Board also monitors and reviews the systems, procedures and internal control periodically and in coordination with the Audit Committee to ensure that the mentioned systems are effective. Furthermore, the Board confirms that there are no foreseeable obstacles to the company's continuity during the coming year.

Expenses related to the company's senior employees during the period amounted to 54,450 Omani Riyals which is consistent with the role assigned to them, the responsibility placed upon them and the skills required to perform the job according to the company's policy that links their performance to what they get.

Employment contracts for foreign employees are renewed every two years and a paid 3-month notice period is given. There are no clauses for immediate termination of the contract.

A brief profile of the members of the Board of Directors and the Executive Management

1) Mr. Saeed bin Saleh Al Jabri - Board Chairman

Mr. Saeed Al Jabri holds the position of Executive Director of Corporate Operations in Mohammed Al Barwani Holding Company and he is a Board member in a number of the group companies.

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Mr. Saeed Al-Jabri supervises the progress of the business of the subsidiaries and the strategies they put in place, following up with them the Human Resources Department, the Legal Affairs Department, the Medical Clinic and Communications.

Mr. Saeed Al Jabri, in cooperation with the management team, provides strategic directions to develop the company's profitability and return on investment, and among his other duties is the representation of the company at external events and negotiations.

2) Dr. Amer Awad Al Rawas - Board Vice Chairman

Founder and Chairman, Concordia Group

Dr.Amer Al-Rawas is a well-recognized, award-winning leader in the field of transformation who has influenced the lives of thousands of people. He continues to accomplish achievements as chairman or board member of a number of companies that are listed on the stock exchange and are operating in various fields, and as an advisor of international, non-governmental companies and institutions. His long experience and expertise constitute the key to his success as an acclaimed keynote speaker on a range of modern topics, in addition to his role as an academic figure who has achieved remarkable achievements in university management and educational program development. Dr. Amer Al-Rawas holds a PhD in Computer Science and Artificial Intelligence from the University of Sussex in the United Kingdom, 1997.

3) Mr. / Muhammad bin Ali Al-Naqi - Board Vice Chairman

Mr. Muhammad Al-Naqi holds a Bachelor's degree in Industrial Management and is one of the leading businessmen in the State of Kuwait. He is a member of the Board of Directors for a number of companies in Kuwait, the Sultanate of Oman and the Kingdom of Saudi Arabia.

4) Mr. Salem bin Saleem Al Busaidi - Board Member

Mr. Salem Al Busaidi holds the position of legal advisor for the Mohammed Al Barwani Holding Group of companies, and a is Board member in a number of the group companies.

Mr. Salem Al Busaidi supervises the progress of the subsidiaries' businesses and the strategies they place, in addition to his responsibility for following up on legal and commercial developments.

Mr. Salem Al Busaidi, in cooperation with the management team, provides strategic directions to develop the group companies' performance, profits and return on investment. Among his other duties is representing the company at external events and negotiations in coordination with government agencies.

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5) Engineer / Abdullah Ali Al-Abdullah - Board Member

Board member and holds a Bachelor's degree in Industrial Engineering from the University of Bradley, USA and has held several positions in the State of Qatar, including Assistant Secretary-General in the Gulf Organization for Industrial Consulting and a member of the Board of Directors in the Doha Securities Market.

Eng. Abdullah has great experience in the field of investment and holds the position of a member of the Board of Directors in several Gulf companies.

6) Mr. Aref bin Abdelhamid Al Kyumi - Board Member

a graduate of Sultan Qaboos University with a Bachelor's degree in Finance, he has 11 years of experience in the field of finance, where he worked as a financial manager for 5 years at Muhammad Al Barwani LLC, 3 years as a financial manager at Mawarid Mining Company and , 2 years as a financial manager at a Musttir LLC .He is the former Chairman of the Board of Directors of the FIPCO SAOC. and currently he is the Vice Chairman of the Board of Al Sharqiya Aviation SAOC.

7) Mr. Sami Said Al Nabhani - Board Member

Bachelor's Degree of Accounting in Commerce and Economics from Sultan Qaboos University.

He has many courses and training in the field of Business administration and Economics and has experience in finance, Marketing, Sales, Real Estate investment and financial investment.

He is currently the Business Development Manager (BDM) at Al Madina Real Estate Company SAOC and has experiences and skills in this field. He also holds several positions on the boards of directors of Al Madina Hotels and Resorts SAOC, Al Basateen Development SAOC, and Al Ansab Development SAOC, and Edara Real Estate L.L.C.

A brief overview of the executive management

Mr. Khaled Mohamed Ebeid - Acting CEO

Mr. Khaled Ebeid holds a Bachelor's degree in Accounting and Management. He is a member of the Arab Society of Certified Accountants, a member of the British Society of Professional Accountants and he holds an ACPA certificate accredited by the University of Cambridge, Britain.

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He previously held the position of Executive Director of Financial and Administrative Affairs of the company for 20 years and was responsible for all financial and administrative affairs. He was assigned the task of preparing the accounting policies and procedures manual and was part of the company's founding team.

Mr. Khaled Ebeid was appointed to the company during the month of February 2022 as an Acting CEO and has more than 26 years of experience in finance, investment and management.

Related Party Transactions

Details of all related party transactions are submitted to the Board of Directors while they are in the normal course of business for study and approval. Details of related party transactions are submitted to the Board of Directors on a quarterly basis for consideration and approval as part of the bank's quarterly financial statements approval.

In addition, details of all related party operations are reported to shareholders as part of the financial statements submitted for approval at the annual general assembly.

Internal control review

The Board of Directors grants great importance to maintaining a strong control environment. For this reason, it monitors and adheres to all controls, including the financial and operational controls.

Moreover, the Board of Directors has established an administrative structure that clearly defines the tasks, responsibilities, reporting systems and approved policies.

The financial information is prepared based on the international accounting standards and is used in full harmony. Also, the operational procedures and controls have been developed to facilitate the processing of business operations in a controlled, complete and timely manner in order to protect the company's assets and investments, which contain the policies and procedures that should be followed in addition to the instructions related to office performance.

Shareholders

Means of contacting shareholders and investors

The quarterly and annual financial statements are published in the local newspapers, with reference to the possibility of sending copies to shareholders upon their request. The company is also preparing a new website through which the quarterly, semi-annual and annual financial statements are to be published.

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The company's annual report also includes the Board's analysis and discussion of the company's financial position, which gives a clear picture of the results for the shareholders.

Capital structure

The distribution of the capital as on March 31, 2024 was as follows:

Number of Shares	Number of shareholders	Total stock	The percentage of the capital
From 1000.001 and above	15	47,652,849	56%
From 500.001 to 1000.000	18	12,728,442	15%
From 100.001 to 500.000	57	11,936,878	14%
From 50.001 to 100.000	54	4,023,417	5%
From 10.001 to 50.000	234	5,870,985	7%
1 to 10.000	1554	2,787,429	3%
Total	1,932	85,000,000	100%

Professional background of auditors

The company's shareholders have appointed Ibn Hayyan Chartered Accountants office as the company's auditors for the year March 2024.

Ibn Hayyan was established in 1990 and is an institution licensed to practice the profession of auditing, accounting and related business services at the Ministry of Commerce and Industry in the Sultanate of Oman. Ibn Hayyan Chartered Accountants, an independent member of DFK International, provides auditing and accounting services, in addition to supporting ongoing business development, to meet the demands of a growing business environment.

During the financial year ending March 2024, Ibn Hayyan submitted audit fee invoices of RO 2,800 payable to external auditors in regard to the audit and related services they provided to the Company.

Stock price data in the market

The following table shows the high, low and average prices of the company's shares and compares the company's performance against the general index of investment companies during the year ending on March 31, 2024.

The index of Al-Madina Investment Holding Company SAOG and the index of banks and investment companies in the Muscat Stock Exchange - March 2024

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	Highest Price	Lowest Price		Closing price
April 23	0.045	0.025		0.025
May 23	0.061	0.029		0.050
June 23	0.055	0.040		0.052
July 23	0.054	0.041		0.041
August 23	0.044	0.039		0.044
September 23	0.044	0.030		0.035
October 23	0.042	0.037		0.038
November 23	0.056	0.032		0.055
December 23	0.058	0.050		0.050
January 24	0.050	0.043		0.050
February 24	0.050	0.045		0.048
March 24	0.055	0.046		0.051

	Highest indicator	Lowest indicator	Closing indicator
April 23	7780.694	7596.957	7601.300
May 23	7699.603	7500.707	7558.744
June 23	7830.967	7498.485	7830.133
July 23	7960.968	7767.450	7827.348
August 23	7893.444	7721.641	7831.429
September 23	7839.474	7513.726	7650.211
October 23	7867.971	7362.140	7411.369
November 23	7614.067	7316.486	7583.917
December 23	7617.651	7302.576	7392.673
January 24	7564.239	7364.948	7369.919
February 24	7387.079	7059.406	7094.121
March 24	7551.398	7094.121	7358.579

Internal control mechanism

The company follows comprehensive methods of internal control systems and procedures for its financial and commercial transactions. The company also adopts clear and documented policies and procedures for all its financial and commercial transactions. The Board of Directors believes that it is consistent with the generally accepted standards.

Details of non-compliance

There are no penalties or fines imposed on the company by the Muscat Securities Market or the Capital Market Authority or any other legal authority during the past three years.

At no time was there non-compliance with regard to any matter related to the articles of the Commercial Companies Law No. 18/2019 or the provisions of the Charter for the Corporate Governance of Public Shareholding Companies, the regulations of the Capital Market Authority or the listing agreements on the Muscat Securities Market.

The company has fulfilled the required obligations in accordance with the provisions of the charter for Corporate Governance of public shareholding companies, and has submitted its report based on the rules established by the Capital Market Authority.

Amer bin Awadh Al Rawas
Audit Committee

Said bin Saleh Al-Jabri
Chairman

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